



Department of Justice

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PRESIDENT OF MASSACHUSETTS COMPANY RECEIVES STIFF PENALTY FOR HIS INVOLVEMENT IN A NATIONWIDE PLASTICWARE PRICE FIXING CONSPIRACY

WASHINGTON, D.C. -- The president of a Chelmsford, Massachusetts, company received one of the stiffest penalties ever imposed involving a one count Sherman Act antitrust violation today for his participation in a nationwide price fixing conspiracy involving the major U.S. manufacturers in the \$100 million a year disposable plastic dinnerware industry, the Department of Justice announced.

Clement Izzi, the president of Comet Products Inc., received a sentence of 21 months in prison and a fine of \$90,000 from Judge Robreno of the U.S. District Court in Philadelphia. Izzi is the last of seven individual defendants and three corporate defendants to be sentenced in connection with this case. Each of the other six individual defendants received terms between eight and 15 months and also received personal fines totaling more than \$200,000. The fines imposed on the corporate defendants totaled nearly \$9 million.

"These tough antitrust penalties prove that corporate executives who break the antitrust laws and harm consumers aren't going to get away with it," said Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division. "The

Antitrust Division will continue to go after those who participate in national price fixing conspiracies."

The investigation became public in December 1992 when the FBI and the Royal Canadian Mounted Police simultaneously executed search warrants in the United States and Canada. In June 1994, two company presidents and a corporate vice president were indicted in Philadelphia for their involvement in the price fixing conspiracy. Four other executives and three companies were named in separate charges. The Department charged that executives of Plastics Inc., Polar Plastics Mfg. Ltd., and Comet Products Inc. secretly telephoned and met with each other to further a price fixing conspiracy that lasted from December 1991 to December 1992.

In December 1994, Izzi pleaded guilty to an indictment charging him with one count of price fixing in violation of the Sherman Antitrust Act. Comet Products competes with Polar Products Manufacturing Ltd. of Allentown, Pennsylvania, and Plastics Inc. of St. Paul, Minnesota. Both Polar and Plastics Inc., as well as several top-ranking executives of those companies, pleaded guilty to price fixing and related offenses. Comet Products agreed to pay a fine of \$4.2 million, Plastics Inc. agreed to pay a fine of \$4.16 million, and Polar Plastics agreed to pay a fine of \$460,000.

The following individuals have already been sentenced for their involvement in the price fixing conspiracy:

--Robert Westbrook, president of Plastics Inc.: 15 months in prison; and a fine of \$75,000.

--James Nurmi, vice president of Plastics Inc.: five months in prison; five months in a half way house; and a fine of \$20,000.

--Warren White, vice president of Plastics Inc.: four months in prison; four months in a half way house; and a fine of \$10,000.

--Russell Greer, vice president of Comet Products Inc.: five months in prison; five months in a half way house; and a fine of \$20,000.

--Andrew Liebmann, vice president of Polar Plastics: four months in prison; four months in a Canadian half way house; and a fine of \$50,000.

--Basem Atallah, vice president of Polar Plastics: four months in prison; four months in home confinement; and a fine of \$50,000.

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